

AS AMENDED

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLANDBILL NO. 80-36 (AS AMENDED)Introduced by Council Member Schafer and Council President Hardwicke at the request of the County ExecutiveLegislative Day No. 80-15 Date May 27, 1980

AN EMERGENCY ACT authorizing and empowering Harford County, Maryland, to issue and sell its industrial development revenue bonds, to be designated "Harford County, Maryland Industrial Development Revenue Bonds (CBC Realty - C-Mart Inc. Project)", in a principal amount not to exceed Seven Hundred Thousand Dollars (\$700,000) pursuant to the provisions of Section 266(A) to 266(I), inclusive of Article 41 of the Annotated Code of Maryland (1971 Replacement Volume 1979 Cumulative Supplement), as amended, for the sole and exclusive purpose of financing the acquisition of an industrial building in Harford County, Maryland, as provided in this Ordinance; making certain legislative findings among others, concerning the public benefit and purpose of such industrial development revenue bonds; providing that such industrial development bonds (a) shall be payable solely and only from (i) revenue derived from payments by CBC Realty, a Maryland ~~Limited~~ GENERAL Partnership, to Harford County, Maryland, on account of such loan, (ii) any and all monies realized from the sale of the collateral as described herein and (iii) any and all monies received under the lease assignment hereinafter mentioned, and (b) shall not

By the Council, May 27, 1980

Introduced, read first time, ordered posted and public hearing scheduled

on: July 1, 1980at: 7:00 P.M.By Order: Angela Markowski, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on July 1, 1980 and concluded on July 1, 1980.

Angela Markowski, Secretary

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

BILL NO. 80-36
AS AMENDED

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COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. _____

Introduced by _____

Legislative Day No. _____ Date _____

constitute, within the meaning of any constitutional or Charter provision or otherwise, (i) indebtedness of Harford County, Maryland, or of any other political subdivision, (ii) a charge against the general credit or taxing powers of Harford County, Maryland; or (iii) a capital project under the Charter or local laws of Harford County, Maryland, or laws of the State of Maryland; authorizing the private (negotiated) sale of such industrial development revenue bonds; prescribing certain details pertaining to such industrial development revenue bonds, including (without limitation) (a) the amount, date and maturity of such industrial development revenue bonds, (b) the interest rate to be paid on such industrial development revenue bonds, (c) the prepayment provisions, if any, relating to such industrial development revenue bonds, (d) the form and tenor of such industrial development revenue bonds and (e) the terms, conditions and security for such industrial development revenue bonds; and providing for approval by resolution of the Harford County Council of the form and contents and authorizing the execution and delivery of the various documents necessary or appropriate to effectuate the aforementioned sale of industrial development revenue bonds, and any change in the maturity schedule of the bonds, the interest rates payable, redemption feature in the Bonds and the amount of the industrial development revenue bonds to be sold (not exceeding \$700,000); authorizing the execution of the statement of election required by Section 103(b)(6)(D) of the Federal

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____ and concluded on _____.

_____, Secretary

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. _____

Introduced by _____

Legislative Day No. _____ Date _____

Internal Revenue Code of 1954 as amended; AND PROVIDING FOR THE METHOD(S) FOR DETERMINING THE PRINCIPAL AMOUNT OF THE BONDS NOT EXCEEDING \$700,000, PAYMENT DATES, MATURITY SCHEDULE, INTEREST RATES, PREPAYMENT PENALTIES, DENOMINATION OF BONDS AND THE TERMS, CONDITIONS AND SECURITY FOR THE BONDS INCLUDING AUTHORIZATION, EXECUTION AND DELIVERY OF DOCUMENTS NECESSARY OR APPROPRIATE IN CONNECTION WITH THE BONDS AND/OR THE SECURITY THEREFOR, PURSUANT TO RESOLUTION(S) APPROVED BY THE HARFORD COUNTY COUNCIL; and generally providing for and determining various matters in connection with the authorization, security, sale, and payment of such industrial development revenue bonds indicating that this Ordinance has no financial impact on Harford County, and further declaring this Ordinance to be an emergency measure.

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____ and concluded on _____.

_____, Secretary

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

1 COUNTY COUNCIL

2 OF

3 HARFORD COUNTY, MARYLAND

4 BILL NO. 80-36 (AS AMENDED)

5
6 Legislative Day No. 80-15 Date: May 27, 1980

7 BE IT ENACTED BY THE COUNTY COUNCIL OF HARFORD COUNTY,
8 MARYLAND THAT Harford County, Maryland is hereby authorized
9 and empowered to issue and sell its industrial development
10 revenue bonds to be designated "Harford County, Maryland
11 Industrial Development Revenue Bonds (CBC Realty - C-Mart, Inc.
12 Project)", in the principal amount not exceeding Seven Hundred
13 Thousand Dollars (\$700,000) pursuant to the provisions of
14 Section 266A to 266I, inclusive, of Article 41 of the Annotated
15 Code of Maryland (1971 Replacement Volume, 1979 Cumulative
16 Supplement), as amended, in order to loan the proceeds thereof
17 to CBC Realty, a Maryland ~~Limited~~ GENERAL Partnership, for the
18 sole and exclusive purpose of financing the acquisition by CBC
19 Realty, ~~Inc.~~ of an industrial building in Harford County,
20 Maryland as provided in this Ordinance; making certain legis-
21 lative findings, among others, concerning the public benefit
22 and purpose of such industrial development revenue bonds;
23 providing that such industrial development revenue bonds (a)
24 shall be payable solely and only from (i) revenues derived from
25 payments by CBC Realty, ~~Inc.~~ to Harford County, Maryland (ii)
26 any and all monies realized from the sale of collateral and
27 (iii) any and all monies received under the lease assignment
28 hereinafter mentioned (iv) AND ANY OTHER FUNDS AVAILABLE FOR
29 SUCH PURPOSE" and (b) shall not ever constitute, within the
30 meaning of any constitutional or charter provision or otherwise,
31 (i) an indebtedness of Harford County, Maryland or of any other
32 political sub-division (ii) a charge against the general credit

1 or taxing powers of Harford County, Maryland; authorizing the
2 private (negotiated) sale of such industrial development
3 revenue bonds; prescribing certain details pertaining to such
4 industrial development revenue bonds, including (without
5 limitation) (a) that the amount, dates and maturity schedule
6 of such industrial development revenue bonds, the interest
7 rate to be paid on such industrial development revenue bonds,
8 the prepayment penalty provision, if any, relating to such
9 industrial development revenue bonds, the denomination of
10 the bonds, the terms, conditions and security for such industrial
11 development revenue bonds, including the authorization,
12 execution and delivery of the various documents necessary or
13 appropriate to effectuate the sale of the industrial development
14 revenue bonds and the execution of all documents necessary or
15 appropriate in connection with such industrial development
16 revenue bonds shall be approved by resolution of the Harford
17 County Council, and (b) the form and tenor of such industrial
18 development revenue bonds; authorizing the execution of the
19 statement of election required by Section 103(b)(6)(D) of
20 the Federal Internal Revenue Code of 1954 as amended; and
21 generally providing for and determining various matters in
22 connection with the authorization, issuance, security, sale and
23 payment of such industrial development revenue bonds; AND PRO-
24 VIDING FOR THE METHOD(S) FOR DETERMINING THE PRINCIPAL AMOUNT
25 OF THE BONDS NOT EXCEEDING \$700,000, PAYMENT DATES, MATURITY
26 SCHEDULE, INTEREST RATES, PREPAYMENT PENALTIES, DENOMINATION OF
27 BONDS AND THE TERMS, CONDITIONS AND SECURITY FOR THE BONDS
28 INCLUDING AUTHORIZATION, EXECUTION AND DELIVERY OF DOCUMENTS
29 NECESSARY OR APPROPRIATE IN CONNECTION WITH THE BONDS AND/OR
30 THE SECURITY THEREFOR, PURSUANT TO RESOLUTION(S) APPROVED BY THE
31 HARFORD COUNTY COUNCIL: and further declaring this Ordinance
32 to be an emergency measure.

RECITALS

Sections 266A to 266I, inclusive, of Article 41 of the Annotated Code of Maryland (1971 Replacement Volume 1979 Cumulative Supplement) as amended, (the "Act") empowers all the Counties and Municipalities of the State of Maryland to issue revenue bonds and to loan the proceeds of sale of such revenue bonds to an industrial concern to finance the acquisition (as defined in the Act) by such industrial concern of industrial buildings (as defined in the Act). The Act declares it to be the legislative purpose to relieve conditions of unemployment in the State, to encourage the increase of industry and a balanced economy in the State, to assist in the retention of existing industry in the State through the control, reduction or abatement of pollution of the environment (where the proceeds of bonds are used for that purpose), to promote economic development, to promote natural resources and, in this manner, to promote the health, welfare and safety of the residents of each of the Counties and municipalities of the State of Maryland.

Harford County, Maryland (the "County") has determined to issue and sell its Harford County, Maryland Industrial Development Revenue Bonds (CBC Realty - C-Mart, Inc. Project), in an amount not exceeding Seven Hundred Thousand Dollars (\$700,000) (the "Bonds") and to loan ("Loan") the proceeds of the Bonds to CBC Realty, a Maryland ~~Limited~~ GENERAL Partnership, (the "Company"), an industrial concern as mentioned in the Act, on the terms and conditions set forth in agreements to be entered into by and between the County, the Company and others (the "Agreements"), as provided by this Ordinance and in resolutions to be passed from time to time by the County Council of Harford County, Maryland, in order to finance the acquisition (within the meaning of the Act) by the Company of a certain industrial building (within the meaning of the Act) in Harford County,

1 Maryland (the "Industrial Building"), and thereby relieve
2 conditions of unemployment in the State of Maryland and in
3 Harford County, Maryland and thus encourage economic development
4 and protect the health, welfare and safety of the citizens of
5 the State of Maryland and Harford County, Maryland.

6 The Bonds will be sold at private (negotiated) sale
7 to The Equitable Trust Company (the "Bank") or any other
8 purchaser approved by resolution of the Harford County Council.

9 The Company will execute and deliver or cause to be
10 executed and delivered (a) a deed of trust ("Deed of Trust")
11 conveying the Industrial Building as security for the Loan (b)
12 a lease assignment pursuant to which the Company will assign
13 its interest in a lease with C-Mart, Inc. as security for the
14 loan and (c) such other Agreements as may be necessary or
15 appropriate to accomplish the foregoing and/or to provide
16 security for the purchasers of the Bonds and to indicate that
17 the issuance and sale of the Bonds and the execution and delivery
18 of the Agreements are to be without any liability of any kind
19 on the part of the County.

20 ~~In order to insure that the proceeds of the Bonds and~~
21 ~~the Loan will be used for the purposes set forth in the Act, the~~
22 ~~Company will enter into a trust agreement with certain individual~~
23 ~~trustees (the "Trust Agreement") pursuant to which the proceeds~~
24 ~~of the Bonds will be deposited with such trustees and held,~~
25 ~~invested and disbursed by such trustees as therein provided.~~

26 The County received a letter of intent from CBC Realty
27 and C-Mart, Inc. dated March 27, 1980 (the "Letter of Intent"),
28 requesting the County to participate in the financing of the
29 acquisition of the Industrial Building in an amount not to exceed
30 Seven Hundred Thousand Dollars (\$700,000). The Letter of Intent
31 was approved by the County Council of Harford County, Maryland
32 (the "County Council") by resolution number 24-80, adopted on

1 April 8, 1980 and accepted by the County Executive and the
2 President of the County Council on April 8, 1980, subject to
3 the adoption of this Ordinance.

4 NOW THEREFORE, in accordance with the terms and
5 provisions of the Act and the Charter of Harford County,
6 Maryland:

7 Section 1. BE IT ENACTED BY THE COUNTY COUNCIL OF
8 HARFORD COUNTY, MARYLAND, that acting pursuant to the Act, it
9 is hereby found and determined as follows:

10 1. The issuance and sale of the Bonds by the County
11 in order to lend the proceeds thereof to the Company pursuant
12 to the Act for the sole and exclusive purpose of financing
13 the acquisition of the Industrial Building (within the meaning
14 of the Act) will facilitate and expedite the acquisition of
15 the Industrial Building by the Company.

16 2. The acquisition of the Industrial Building by the
17 Company and the financing of the Industrial Building as provided
18 in this Ordinance will promote the declared legislative pur-
19 poses of the Act by (a) sustaining jobs and employment, thus
20 relieving conditions of unemployment in the State of Maryland
21 and in Harford County, Maryland; (b) encouraging the increase
22 of industry and a balanced economy in the State of Maryland and
23 in Harford County, Maryland; (c) assisting in the retention
24 of existing industry in the State of Maryland and in Harford
25 County, Maryland; (d) and promoting economic development; and
26 (e) promoting the health, welfare and safety of the residents
27 of Harford County, Maryland and in the State of Maryland.

28 3. It is in the best interests of the citizens of
29 the County to finance the acquisition of the Industrial Building
30 by a loan to the Company.

31 4. Neither the Bonds nor the interest thereon, will
32 constitute (a) a general obligation of the County or (b) a

1 charge against or pledge of the general credit or taxing powers
2 of the County within the meaning of the Constitution of Maryland
3 or any other constitutional, statutory or charter provision or
4 limitation, and neither shall ever constitute or give rise to
5 any pecuniary liability on the part of the County. The prin-
6 cipal of and interest on the Bonds shall be payable from and
7 secured by (a) an assignment of (i) the revenues realized and
8 the collateral pledged, under the Loan Agreement, (ii) the
9 Company's right, title and interest in and to, and remedies
10 under the Deed of Trust, (iii) the company's right, title and
11 interest in and to and remedies under certain Lease Assignments
12 and (b) such other Agreements as may be necessary or appropriate.
13 The principal amount of the Loan and the repayments to be made
14 by the Company pursuant to the Loan Agreement authorized will
15 be paid directly to the Bank AS TRUSTEE to be held and disbursed
16 as agent for the holders of the Bonds. No such monies will be
17 comingled with the County's funds or will be subject to the
18 absolute control of the County, but only to such limited super-
19 vision and checks as are deemed necessary or desirable by the
20 County to insure that the proceeds of the Bonds are used to
21 accomplish the public purposes of the Act in this Ordinance.
22 The transactions authorized hereby do not constitute the
23 acquisition of property for public use or the purchase of
24 equipment for public use. The public purposes expressed in
25 the Act are to be achieved by facilitating the acquisition of
26 the Industrial Building by the Company.

27 5. The security for the Bonds shall be solely and
28 exclusively (a) the absolute, irrevocable and unconditional
29 obligation of the Company to make the payments required by the
30 Loan Agreement (b) monies realized from any and all collateral
31 (including the Industrial Building) pledged as security for
32 the Loan and (c) the assignment by the Company of the interest

1 of the Company in a lease with C-Mart, Inc.

2 6. None of the receipts and revenues of the County
3 from the Bonds or the Agreements shall be set aside as a
4 depreciation account (mentioned in the Act).

5 7. The best interests of the County will be served
6 by selling the Bonds to The Equitable Trust Company or other
7 purchaser approved by resolution of the Harford County Council
8 at private (negotiated) sale, as authorized by the Act, upon
9 the terms and conditions approved by the County as set forth
10 in this Ordinance.

11 Section 2. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
12 OF HARFORD COUNTY, MARYLAND, that, subject to the provisions
13 of this Ordinance, the County is authorized and empowered
14 pursuant to the Act, to issue and sell its Harford County,
15 Maryland Industrial Development Revenue Bonds (CBC Realty -
16 C-Mart, Inc. Project) in a principal amount not to exceed Seven
17 Hundred Thousand Dollars (\$700,000), such Bonds to be solely
18 and exclusively payable from revenue derived by the County
19 from payments on the Loan by the Company, and secured as
20 provided herein. The Bonds shall be designated "Harford County,
21 Maryland Industrial Development Revenue Bonds (CBC Realty -
22 C-Mart, Inc. Project)", shall bear interest and be payable as
23 provided in ~~subject~~ SUBSEQUENT resolutions approved by the
24 Harford County Council, and shall be in substantially the
25 following form, with such changes as may be approved by
26 resolutions of the Harford County Council.

UNITED STATES OF AMERICASTATE OF MARYLANDHARFORD COUNTY, MARYLANDINDUSTRIAL DEVELOPMENT REVENUE BONDCBC REALTY - C-MART, INC.1980\$700,000

For value received, Harford County, Maryland (the "Issuer"), a body politic and corporate and a political sub-division of the State of Maryland, hereby promises to pay to bearer, or if this bond be registered as herein provided, then to the registered owner hereof, solely from the special fund hereinafter described and from no other source, on or before the day of , 20 , ("Maturity"), as provided below, the principal sum of Dollars (\$) and to pay solely from said special fund, interest thereon from date hereof at the rate of per annum, first payable , 1980, and on each and thereafter until maturity, with principal being first payable , 1980, and on each and thereafter until maturity, in an amount which when added to the interest due and payable on each such date shall equal Dollars (\$), with the unpaid principal, if any, due and payable on maturity. Both the principal hereof and the interest hereon are payable in lawful money of the United States of America at the principal office of THE Equitable Trust Company in Baltimore, Maryland.

This bond is the duly authorized issue of the issuer designated as "Harford County, Maryland Industrial Development Revenue Bond (CBC Realty - C-Mart, Inc. Project)". This Bond is hereinafter referred to as the "Bond" or "Bond."

This bond is issued pursuant to the authority of

1 Sections 266A to 266I, inclusive, of Article 41 of the Annotated
2 Code of Maryland (1971 Rep. Vol. 1979 Cum. Supp.), as amended
3 (the "Act"), and pursuant to and under the authority of Council
4 Bill No. enacted by the County Council of Harford County
5 on , 1980, which Council Bill No. became
6 effective on , 1979 1980 (the "Ordinance") and
7 certain resolutions approved by the County Council of Harford
8 County ("Resolutions"). Reference is hereby made to the
9 Ordinance and Resolutions for the provisions, among others,
10 with respect to (A) the nature and extent of the security for
11 this bond, (B) the rights, duties and obligations of the County
12 (C) the terms upon which this Bond is issued and secured and
13 (D) the modification or amendment of any of the foregoing or
14 of agreements executed and delivered in connection with the
15 CBC Realty - C-Mart, Inc. Project: and by the acceptance of this
16 Bond, the holder hereof assents to all of the provisions of the
17 ordinance and resolutions and agrees to be bound thereby.

18 This Bond is issued for the purpose of financing, in
19 whole or in part, the cost of the acquisition (as defined in
20 the Act) by CBC Realty of an Industrial Building (as defined
21 in the Act) in Harford County, Maryland (the "Industrial
22 Building"), and paying expenses incidental thereto so as to
23 help relieve conditions of unemployment in the State of Maryland
24 and in Harford County, and to help encourage the increase of
25 industry and achieve a balanced economy in the State of Maryland
26 and in Harford County, to assist in the retention of industry
27 existing in the State of Maryland, to promote economic develop-
28 ment, and in this manner to promote the health, welfare and
29 safety of the residents of the State of Maryland and of Harford
30 County.

31 This Bond and the redemption premium (if any) and
32 interest hereon shall not be deemed to constitute a debt or

1 a general obligation or a pledge of the faith and credit of
2 the State of Maryland or of Harford County, Maryland, and
3 does not directly, indirectly or contingently obligate said
4 State or County to levy or to pledge any form of taxation
5 whatever for the payment of such principal, redemption premium
6 (if any) and interest. This Bond is payable solely from revenues
7 derived from payments by CBC Realty (the "Company") to the
8 County under a Loan Agreement of even date herewith between
9 the County and the Company ("Loan Agreement"), any and all
10 monies realized from the sale of collateral pledged as security
11 for such loan and all monies received under any guaranty
12 agreements. Neither this Bond nor the interest payable hereon
13 shall ever constitute an indebtedness or a charge against the
14 general credit or taxing powers of the County within the
15 meaning of any constitutional provision or statutory or charter
16 limitation and neither shall ever constitute or give rise to
17 any pecuniary liability of the County. No recourse shall be
18 had for the payment of the principal of, or the redemption
19 premium (if any) and the interest on, this Bond against any
20 officer or member of the issuer.

21 Pursuant to the Loan Agreement, payments sufficient
22 for the prompt payment when due of the principal of and interest
23 on this Bond are to be paid by the Company directly to
24 The Equitable Trust Company (the "Bank") to be held by the Bank,
25 as agent for the holder of this Bond, in a separate and special
26 fund created by the Ordinance, to be used by the Bank, as agent
27 for the holder of the Bond, for the payment of the principal of
28 and interest on this Bond.

29 The County may under certain circumstances prescribed
30 in Section 6 of the Ordinance be required to pay (but only
31 out of amounts made available to the County by the Company
32 or others for such purposes) all or part of the principal of

1 this Bond plus accrued and unpaid interest before maturity
2 upon the terms provided in such Section 6 of the Ordinance.
3 In the event of partial prepayment, the holder hereof shall
4 surrender this Bond to the Bond Registrar (hereinafter referred
5 to), for notation hereon that this Bond, to the extent of the
6 amount prepaid, has been partially prepaid. In the event of
7 a partial prepayment of this Bond, the sums applied to the
8 prepayment shall be applied to the prepayment of the principal
9 hereof in the inverse order of the monthly installment payment
10 dates. Reference is hereby made to Section 6 of the Ordinance
11 for the provisions relating to the prepayment of this Bond,
12 and, by the acceptance of this Bond, the holder hereof assents
13 to such prepayment provisions and agrees to be bound thereby.

14 Notice of any such prepayment shall be given at least
15 two (2) banking days prior to the prepayment date by mailing
16 and by telegraphing to the registered owner of this Bond a
17 notice fixing such prepayment date, the amount of principal
18 to be prepaid and the interest to be paid through the prepay-
19 ment date. The notice required herein to be given may be
20 waived by the registered owner of this Bond.

21 All payments hereunder shall be made in immediately
22 available funds at the office of The Equitable Trust Company,
23 Baltimore, Maryland.

24 If any principal or interest payable hereon falls due on any
25 day other than a banking day at the Bank, then such payment
26 date shall be extended to the next succeeding full banking
27 day.

28 In the event any installments of the principal and
29 interest, or payment of interest, as hereinabove provided,
30 is not paid when due and payable, such installment of principal
31 and interest, or payment of interest, shall bear interest at
32 the rate of per annum

1 until paid.

2 This Bond shall be registered as to both principal and
3 interest. The Bank shall serve as Bond Registrar, and shall
4 keep at its principal office in Baltimore, Maryland, for
5 so long as this Bond remains outstanding, books for the regis-
6 tration and transfer hereof. When used herein, the term
7 "holder of this Bond" shall mean the registered owner from
8 time to time of this Bond. The initial holder of this Bond
9 shall be the Bank.

10 This Bond shall be transferable only upon the books
11 maintained by the Bond Registrar by the registered owner hereof
12 in person or by his attorney duly authorized in writing, upon
13 surrender hereof together with a written instrument of transfer
14 satisfactory to the Bond Registrar duly executed by the regis-
15 tered owner or his duly authorized attorney. This Bond is a
16 "security" within the meaning of Article 8 of the Maryland
17 Uniform Commercial Code, and, notwithstanding the provisions
18 herein contained for registration, is, and shall remain,
19 negotiable. The laws of the State of Maryland shall govern
20 the construction of this Bond.

21 The County, the Bank, as agent for the holder of this
22 Bond, and the Bond Registrar may deem and treat the person in
23 whose name this Bond shall be registered as the absolute
24 owner hereof, whether this Bond shall be overdue or not, for
25 the purpose or receiving payment of, or on account of, the
26 principal of and interest hereon and for all purposes, and
27 all such payments so made to such registered owner or upon
28 his order shall be valid and effectual to satisfy and discharge
29 the liability upon this Bond to the extent of the sum or sums
30 so paid, and neither the County nor the Bank, as agent for
31 the holder of this Bond, nor the Bond Registrar shall be
32 affected by any notice to the contrary.

1 Within 60 days after receipt of a written request from
2 the holder hereof (or within such longer period as may be
3 reasonably required for the authorization, issuance and
4 preparation of bonds) the County will take action necessary
5 to cause serial bonds to be duly authorized and issued, to
6 the extent permitted by applicable laws, in order that this
7 Bond may be exchanged for a series of serial bonds. Any serial
8 bonds so authorized and issued shall be substantially in the
9 same form as this Bond, with only such changes in amounts,
10 dates and other details as may be necessary. All such serial
11 bonds shall (a) bear interest at the same rate, and (b) be
12 ratably and equally secured by, and entitled to the benefits
13 of, the Ordinance and the security for the repayment of the
14 Bond provided for therein. Any expenses incurred by the
15 County in authorizing and issuing any such serial bonds shall
16 be paid by the Company.

17 IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all
18 conditions, acts and things required by the Constitution and
19 laws of the State of Maryland and the Charter of Harford County,
20 Maryland, to exist, to have happened and to have been performed
21 precedent to and in the execution and delivery of this Bond
22 exist, have happened, and have been performed, and that the
23 issuance of this Bond, together with all obligations of the
24 County, does not exceed or violate any constitutional or
25 statutory debt limitations.

26 IN WITNESS WHEREOF, HARFORD COUNTY, MARYLAND, has
27 caused this Bond to be signed by the manual signature of its
28 County Executive, and has also caused its corporate seal to
29 be hereunto affixed and attested by the manual signatures
30 of its Director of Administration, all as of the day of
31 1980.
32

1 ATTEST: HARFORD COUNTY, MARYLAND

2
3 By _____
4 Director of Administration County Executive

5 (SEAL)

6 (A Prepayment Record will be attached to the Bond.)

7 Section 4. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
8 OF HARFORD COUNTY, MARYLAND, that in consideration of the
9 purchase and acceptance of the Bonds by those who shall hold
10 the same from time to time, (i) this Ordinance shall be deemed
11 to be and shall constitute a contract between the County and
12 the holder from time to time of the Bonds; and (ii) the assign-
13 ments described herein and the covenants to be performed by
14 or on behalf of the County shall be for the benefit, protection
15 and security of the holder of the Bonds.

16 Section 5. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
17 OF HARFORD COUNTY, MARYLAND, that simultaneously with the
18 issuance and sale of the Bonds, the County, will, pursuant
19 to the terms of the Agreements and the Act, cause the proceeds
20 of sale thereof to be applied to the acquisition of the Indus-
21 trial Building in accordance with the provisions of the Act,
22 this Ordinance and the Resolutions.

23 The proceeds of the Bonds shall be advanced as provided
24 in the Agreements, and, in order to insure that such proceeds
25 will be used for the purposes set forth in the Act, the County
26 shall deposit such proceeds with the ~~Trustees-under-the-Deed-of~~
27 ~~Trust~~ BANK AS TRUSTEE, AS PROVIDED IN THE AGREEMENTS, who will
28 hold, invest and disburse such proceeds as herein and in the
29 Agreements provided.

30 Section 6. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
31 OF HARFORD COUNTY, MARYLAND, that the County covenants that
32 it will promptly pay the principal of and interest on the Bonds,

1 and premium, if any, at the place, on the dates and in the
2 manner provided in this Ordinance and in the Bonds according
3 to their true intent and meaning; provided that the Bonds,
4 together with the interest thereon, shall be the limited
5 obligation of the County payable solely from the monies derived
6 from (a) the Loan Agreement and the sale of any collateral
7 pledged thereunder, (b) the lease assignment and, (c) all
8 other security referred to in this Ordinance, and shall be
9 a valid claim of the holder thereof only against such monies,
10 which monies shall be used for no other purpose than to pay the
11 principal of and interest on the Bonds AND EXPENSES AUTHORIZED
12 BY THE ACT (except as may be otherwise expressly authorized
13 in this Ordinance). Neither the Bonds nor the interest payable
14 thereon shall ever constitute an indebtedness or a charge
15 against the general credit or taxing powers of the County
16 within the meaning of any constitutional or charter provision
17 or statutory limitation and neither shall ever constitute or
18 give rise to any pecuniary liability of the County.

19 Section 7. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
20 OF HARFORD COUNTY, MARYLAND, that payment of the Bonds and the
21 interest thereon shall be made to the registered owner thereof
22 by the Bank as agent for the holder of the Bonds. All payments
23 of principal, interest and other charges required by this
24 Ordinance or the Bonds shall be made at the office of the Bank,
25 (AS TRUSTEE AND AGENT FOR THE HOLDERS OF THE BONDS), The Equitable
26 Trust Company, Baltimore, Maryland, in lawful money of the
27 United States of America, in immediately available funds.
28 Interest on the Bonds shall be calculated on the basis of a
29 360-day year factor to be applied to actual days elapsed. If any
30 principal and/or interest payment on the Bonds falls due on a
31 Saturday, Sunday or public holiday at the place of payment
32 thereof, then such date shall be extended to the next succeeding

1 full banking day at such place.

2 When the principal of and interest on the Bonds shall
3 have been fully paid, the Bonds shall forthwith be surrendered
4 to the Bond Registrar for cancellation.

5 Section 8. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
6 OF HARFORD COUNTY, MARYLAND, that the Bonds shall be registered
7 as to both principal and interest. The Bank AS TRUSTEE shall
8 serve as Bond Registrar, and it shall keep at its principal
9 office, for so long as the Bonds remain outstanding, books for
10 the registration and transfer of the Bonds.

11 The Bonds shall be transferable only upon the books
12 maintained by the Bond Registrar by the registered owner thereof
13 in person or by his attorney duly authorized in writing, upon
14 surrender thereof together with a written instrument of
15 transfer satisfactory to the Bond Registrar duly executed by
16 the registered owner or his duly authorized attorney.

17 The County, the Bank as agent for the holder of the
18 Bonds and the Bond Registrar may deem and treat the person
19 in whose name the Bonds shall be registered as the absolute
20 owner of the Bonds, whether the Bonds shall be overdue or not,
21 for the purpose of receiving payment of, or on account of,
22 the principal of and interest on the Bonds and for all other
23 purposes, and all such payments so made to such registered
24 owner or upon his order shall be valid and effectual to satisfy
25 and discharge the liability upon the Bonds to the extent of
26 the sum or sums so paid, and neither the County nor the Bank
27 nor the Bond Registrar shall be affected by any notice to the
28 contrary.

29 The Bonds shall be in the denomination of Five Thousand
30 Dollars (\$5,000) each or in such other denomination as may be
31 approved in the Resolutions.

32 Section 9. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL

1 OF HARFORD COUNTY, MARYLAND, that the County intends to assist
2 in the financing of the Industrial Building for the Company
3 in an amount not to exceed Seven Hundred Thousand Dollars
4 (\$700,000) as described generally in the Letter of Intent,
5 by authorizing the issuance and sale of the Bonds pursuant
6 to the Act, and by using the proceeds thereof for the purposes
7 described in this Ordinance and in the agreements for financing
8 of the acquisition of an Industrial Building, including the
9 Loan Agreement and other documents as may be approved by
10 Resolutions adopted by the Harford County Council, the Bond
11 to be secured solely as hereinabove provided in this Ordinance.
12 This Ordinance is adopted as a material inducement to the
13 Company to acquire and construct the Industrial Building in
14 Harford County, Maryland.

15 Section 10. BE IT FURTHER ENACTED BY THE COUNTY COUN-
16 CIL OF HARFORD COUNTY, MARYLAND, that the execution and delivery
17 of the Bonds, the agreements, and all other documents necessary
18 to evidence and secure the Bonds and the Agreements are hereby
19 authorized. The Bonds, and other agreements shall be executed
20 on behalf of the County by the County Executive of the County
21 by his signature, and the corporate seal of the County shall
22 be impressed or otherwise reproduced thereon and attested by
23 the Director of Administration of the County by his manual
24 signature. In case any officer whose signature shall appear
25 on the Bonds or any of the aforesaid documents shall cease to
26 be such officer before the delivery of the Bonds or any of
27 the other documents aforesaid, such signature shall neverthe-
28 less be valid and sufficient for all purposes, the same as
29 if such officer had remained in office until delivery. The
30 County Executive, the Director of Administration and other
31 officials of the County shall do all such acts and things and
32 execute such supporting documents and certificates as may be

1 necessary to carry out and comply with the provisions hereof,
2 including, but not limited to, the statement of election
3 required by Section 103(b)(6)(D) of the federal Internal
4 Revenue Code of 1954, as amended. Before the execution and
5 delivery of the Bonds by the County Executive to the Bank
6 as agent for the holder of the Bonds, the County shall have
7 received a certificate signed by an officer of the Bank and
8 the Company and satisfactory to counsel for the County stating
9 that (a) the Bank has purchased the Bond as a commercial invest-
10 ment and not with a view to redistribute the same to the general
11 public, and (b) the Bank has not relied upon the County or its
12 agents for or received from the County or its agents any
13 information concerning the financial condition or other infor-
14 mation of the Company or C-Mart, Inc.

15 Section II. BE IT FURTHER ENACTED BY THE COUNTY
16 COUNCIL OF HARFORD COUNTY, MARYLAND, that the provisions of this
17 Ordinance are severable, and if any provision, sentence, clause,
18 section or part thereof is held illegal, invalid or uncon-
19 stitutional or inapplicable to any person or circumstances,
20 such illegality, invalidity or unconstitutionality, or inap-
21 plicability shall not affect or impair any of the remaining
22 provisions, sentences, clauses, sections, or parts of this
23 Ordinance or their application to other persons or circum-
24 stances. It is hereby declared to be the legislative intent
25 that this Ordinance would have been passed if such illegal,
26 invalid or unconstitutional provisions, sentence, clause,
27 section or part had not been included herein, and if the person
28 or circumstances to which this Ordinance or any part hereof
29 are inapplicable had been specifically exempted herefrom.

30 Section 12. BE IT FURTHER ENACTED BY THE COUNTY
31 COUNCIL OF HARFORD COUNTY, MARYLAND, that the County Council of
32 Harford County, Maryland, by resolution may change the amount

1 of Bonds to be sold but not in excess of Seven Hundred Thousand
2 Dollars (\$700,000), PROVIDE FOR the maturity schedule of the
3 Bonds, the interest payable on the Bonds, the date of the Bonds,
4 the dates of payment of interest and principal on the Bonds,
5 provide for prepayment provisions with respect to payment of
6 the Bonds prior to their maturity and provide for the execution
7 of any and all agreements necessary or appropriate to accomplish
8 the issuance and sale of the Bonds, in the manner herein
9 described or in any other manner consistent with Sections 266A
10 to 266I, inclusive, of Article 41 of the Annotated Code of
11 Maryland (1971 Replacement Volume, 1979 Cumulative Supplement),
12 so long as the County has no pecuniary liability with respect
13 to the payment of principal and interest on the Bonds.

14 Section 13. BE IT FURTHER ENACTED BY THE COUNTY
15 COUNCIL OF HARFORD COUNTY, MARYLAND, that all expenses of the
16 County, including the expenses of private attorneys employed
17 by the County in connection with the issuance and sale of the
18 Bonds shall be paid by CBC Realty.

19 Section 14. BE IT FURTHER ENACTED BY THE COUNTY
20 COUNCIL OF HARFORD COUNTY, MARYLAND, that the Industrial
21 Building and the sale of the Bonds therefor shall not constitute
22 a capital project within the meaning of the Harford County
23 Charter or Code.

24 Section 15. BE IT FURTHER ENACTED BY THE COUNTY
25 COUNCIL OF HARFORD COUNTY, MARYLAND, that the Company, shall
26 pay or make arrangements for the payment of any taxes, assess-
27 ments or charges which may be lawfully levied, assessed or
28 charged against the Industrial Building and the land underlying
29 the Industrial Building, or, in the event such charge may not
30 be made due to ownership of legal title by the County, the
31 Company, agrees to make payments to or make arrangements for
32 the payment to the County of amounts equal to taxes which

1 the County would otherwise have the right to assess.

2 Section 16. BE IT FURTHER ENACTED BY THE COUNTY
3 COUNCIL OF HARFORD COUNTY, MARYLAND, that an appropriate
4 indemnity, defense and hold harmless agreement shall be
5 executed by the Company, in form and substance satisfactory
6 to counsel for the County, as provided in the Letter of Intent
7 prior to the issuance of the Bonds.

8 Section 17. BE IT FURTHER ENACTED BY THE COUNTY
9 COUNCIL OF HARFORD COUNTY, MARYLAND, that the Bonds, when issued,
10 shall be executed in the name of Harford County, Maryland, by
11 the facsimile signature of the County Executive of Harford
12 County, Maryland, and a facsimile of the corporate seal of the
13 County shall be imprinted on each of the Bonds attested by
14 the manual signature of the Director of Administration of
15 Harford County. The facsimiles of said signature and said
16 seal shall be engraved, printed or lithographed on each of
17 the Bonds in accordance with, and pursuant to the authority
18 of Section 13-18, inclusive, of Article 31 of the Annotated Code
19 of Maryland (1976 Replacement Volume, 1979 Supplement).

20 Section 18. BE IT FURTHER ENACTED BY THE COUNTY
21 COUNCIL OF HARFORD COUNTY, MARYLAND, that this Ordinance has
22 no financial impact on Harford County, Maryland, and, therefore,
23 there is no requirement for a fiscal impact note.

24 Section 19. BE IT FURTHER ENACTED that this Ordinance
25 is declared to be an emergency measure affecting the public
26 health, safety or welfare, as found and determined in Section 1
27 of this Ordinance, and shall take effect on the date it becomes
28 law.

29 EFFECTIVE: July 10, 1980
30
31
32

BY THE COUNCIL

Read the third time.

Passed LSD 80-20 (July 8, 1980) (with amendments)

XXXXXXXXXXXXXXXXXXXX

By order

Angela Markowski, Secretary

Sealed with the County Seal and presented to the County Executive
for his approval this 9th day of July, 1980
at 3:00 o'clock P.M.

Angela Markowski, Secretary



APPROVED:

BY THE EXECUTIVE

[Signature]
County Executive
Date 7/10/80

BY THE COUNCIL

This Bill, having been approved by the Executive
and returned to the Council, becomes law on July 10, 1980.

Angela Markowski, Secretary

EFFECTIVE DATE: July 10, 1980

Rec'd & Recorded Aug 26 1980 at 10:32 A.M.
HDC Liber 6 Folio 85 & examined per
H. Douglas Chinnost, Clerk, Harford Co.